EXHIBIT 4

PUBLIC-REDACTED VERSION

IN THE UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

Civil Action No. 2:20-cv-00015

MONARCH NETWORKING SOLUTIONS LLC

Plaintiff,

v.

CISCO SYSTEMS, INC.

Defendant.

EXPERT REPORT OF MICHAEL J. LASINSKI

January 12, 2021

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1.   QUALIFICATIONS

1.   I am Michael J. Lasinski, a Senior Managing Director at Ankura Consulting Group ("Ankura") and head of the Intellectual Property (IP) Group. Previously, I was the founding member of 284 Partners, LLC ("284 Partners"), a professional services firm focused on IP valuation, litigation consulting, IP acquisition and licensing strategy, and transactional services. Over the past twenty-five years, I have assisted clients, including corporations, law firms, government entities, and investors, in understanding and evaluating the financial aspects of intellectual property.

2.   My consulting practice has focused on the financial aspects of intellectual property since 1995. I have valued intellectual property and businesses in the context of licensing, sales, mergers, acquisitions, investments, tax matters, and litigation, as well as many other contexts. During my professional career, I have completed hundreds of valuations of intellectual property assets. I have spoken on the topic of intellectual property valuation, litigation, licensing, and tax matters throughout the U.S. and internationally.

3.   I have been retained as an expert in both domestic and international matters concerning the licensing of standards-essential patents ("SEPs") on fair, reasonable, and non-discriminatory ("FRAND") terms. I have been retained by the U.S. Federal Trade Commission to testify concerning FRAND royalty rates. I have given testimony on such matters in U.S. District Court, at the U.S. International Trade Commission, in the U.K. High Court of Justice, and in the context of confidential arbitration.

4.   I am a past President of the Licensing Executives Society United States and Canada ("LES"). LES is one of the country's largest intellectual property licensing trade organizations. I am a past Division Chair of the American Bar Association's IP Section. I am a former Chair of the Valuation and Taxation Committee of LES and a former Vice-Chair of the Intellectual Property Owners Association's Valuation and Taxation Committee. I have also been named one of the World's 300 Leading IP Strategists by Intellectual Asset Management.

5.   I have been retained to provide expert testimony in other federal, state, tax, and arbitration proceedings. I have also been retained by both taxpayers and the IRS to determine intellectual property value and royalty rates in transfer pricing and other tax-related transactions. In addition, I was retained by a Federal Monitor to set royalty rates for a company that was subject to a deferred prosecution agreement from the U.S. Department of Justice. A list of cases in which I have provided expert testimony is provided in my curriculum vitae (attached as Appendix A of this report).

6.   I hold a Bachelor of Science in Electrical Engineering (Summa Cum Laude) and a Master of Business Administration (High Honors) from the University of Michigan. I am a Certified Public Accountant ("CPA") licensed in the state of Illinois. I am also Certified in Financial Forensics ("CFF") by the American Institute of Certified Public Accountants, and I am a Certified Licensing Professional ("CLP") initiated by the LES.

7.   Ankura is being compensated for my work in this matter ███████████████. Ankura is being compensated for the work of other Ankura consultants assisting me on this matter at hourly rates of █████████. No part of my compensation, or that of Ankura, depends on the outcome of this litigation.

Replication."[6] I understand from Dr. Walker that, versus ingress replication, VPLS LSM will reduce bandwidth utilization by at least 50% over network links that would otherwise be traversed by multiple copies of the same data.[7] ███████████████████████████████████
███ .

19. To derive a reasonable royalty indicator for the '775 Patent, I have employed the widely accepted analytic approach to isolate the excess profit attributable to '775 Patent. To do so, I have employed the following methodology:

- I determined the average selling price premium charged by Cisco for Layer 2 VPN functionality.[8]

- I allocated the Layer 2 VPN price premium to VPLS LSM using the percentage of data that is live video, which is a conservative measure of multicast data.[9]

- As VPLS LSM was implemented as a software upgrade
 I reduced the revenue per unit estimates to profit by allocating Cisco's operating expenses to them.

- I then compared these profits to the profits earned by Cisco's Americas business group and by the Industry. As Cisco's operating profit margin significantly exceeds the industry, I conservatively calculated the excess profits earned by Cisco relative to its own profit margin.

- I then applied these excess profits per unit to Cisco's sales of the Accused Products to determine the total excess profits it has earned during the damages period.[10]

- I then discounted the excess profits to the hypothetical negotiation dates using Cisco's weighted average cost of capital.

20. I have thereby derived a royalty indicator for the '775 Patent of ██████ .[11]

21. My findings concerning the incremental and excess profits earned by Cisco as a result of its use of the Patents-in-Suit are summarized in the following figure.

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[6] CISCO-MON-EDT-00024615, p. 1.
[7] Discussions with Dr. Walker.
[8] Schedule 4.4.
[9] Schedule 4.3.
[10] I have not projected damages through the expiration of the Patents-in-Suit.
[11] Schedule 1.1.

Finally, as this is something Softlayer / IBM's customers are asking for, we would certainly take this and sell it to our other DC customers. The potential for continued business elsewhere is quite good.

██████████

█████████████████████

118.   Furthermore, subsequent pricing information indicates that ████████████████████████ ███████████████████████ For instance, the following is from an ████████████ ███████████████████████████████████.█ [184]

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- I have allocated the Layer 2 VPN revenue to VPLS LSM using only the portion of Cisco data traffic that is live video although it has other applications (e.g., news, stock data, etc.). Had I accounted for these other applications; I would have derived greater excess profits.

266. Additionally, the various qualitative factors identified in the *Georgia*-Pacific matter would generally support a reasonable royalty consistent with – or higher than – that indicated by the analytic approach. I have therefore conservatively concluded that the reasonable royalties payable for Cisco's infringement of each of the Patents-in-Suit would be no less than the following:

Figure 47
**Present Value of Reasonable Royalties – Patents-in-Suit**[401]

267. It is important to note that the value attributed to the '965 Patent is contained within – and therefore not additive to – the value of the '844 Patent. It is also important to note that the lump-sums I have calculated are based exclusively on the value Cisco has received from the Patents-in-Suit through the end of the sales data produced in this matter. I have made no attempt to project the future value of the Patents-in-Suit to Cisco.

10. PREJUDGMENT INTEREST

268. From a time value of money standpoint, an award of prejudgment interest may be necessary to compensate Monarch for the loss of use of funds during the damages period. I understand that an award of prejudgment interest is a legal matter and that the Court has substantial discretion in determining the interest rate and compounding method to be awarded. However, in the context of a lump-sum royalty, the pre-judgement interest would generally be calculated on the entire value of the royalty from the hypothetical negotiation. I am prepared to submit a prejudgment interest calculation if and when I am asked to do so by counsel or the court.

11. SIGNATURE

Respectfully,
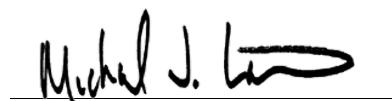
_____   January 12, 2021
_____

Michael J. Lasinski   Date

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[401] Schedule 1.1.

Appendix B

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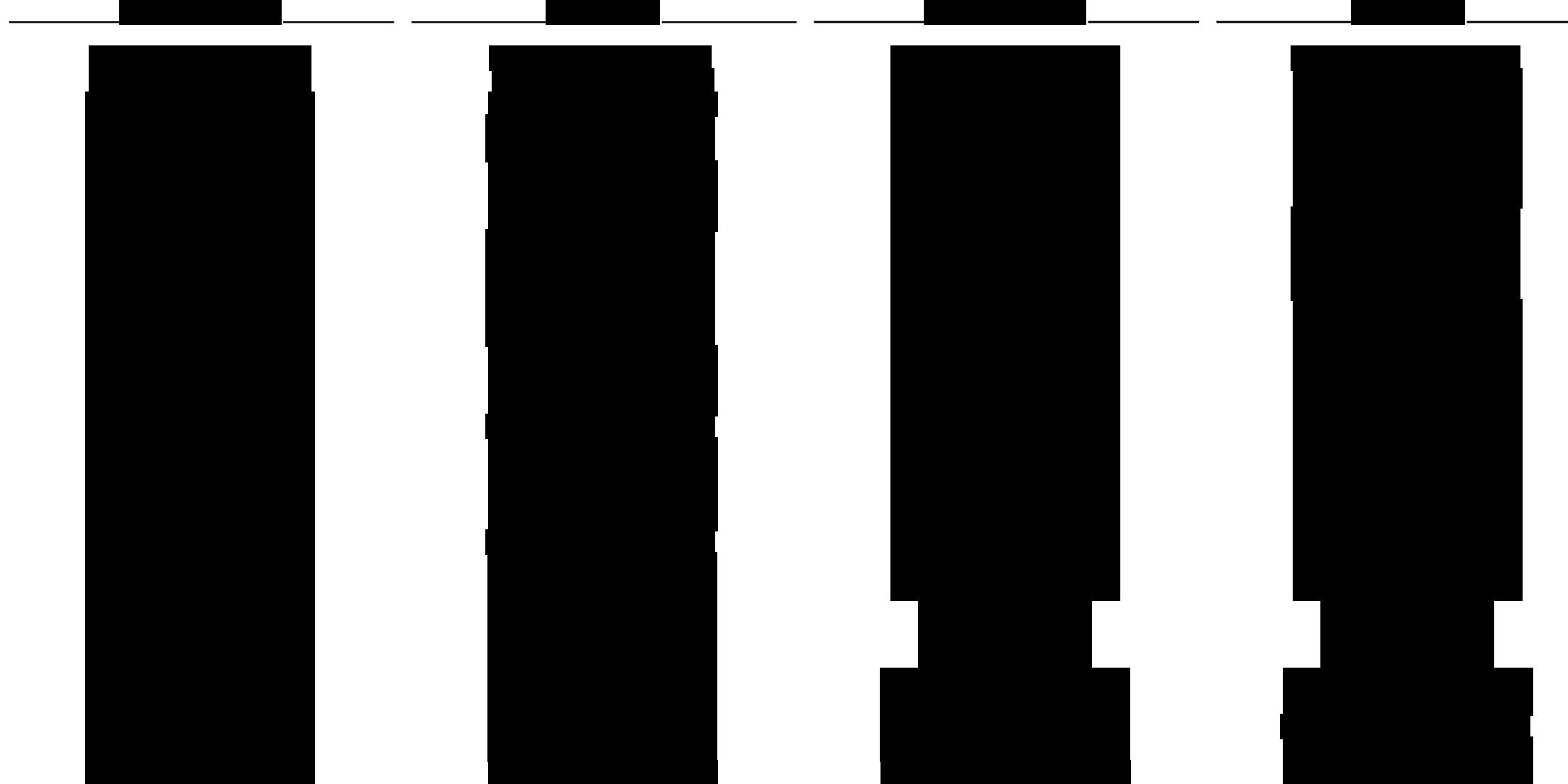
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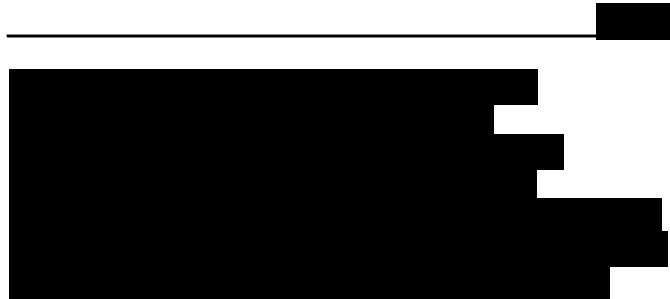
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